

9656

05 DEC 15 10:58

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**FINANCIAL STATEMENTS AND  
AUDITOR'S REPORT**

**JUNE 30, 2005**

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/15/06

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**TABLE OF CONTENTS**

	<b>PAGE</b>
Independent Auditor's Report	3
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8
Supplemental Information	
Statement of Activities by Program	13
Schedule of Actual Expenditures Compared to Budget State Senior Center Program	14
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	15
Schedule of Findings and Questioned Costs	17
Corrective Action Plan	

# Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT  
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

## INDEPENDENT AUDITOR'S REPORT

Board of Directors, Inc.  
Lakeview Area Senior Adult Ministry, Inc.

I have audited the accompanying statement of financial position of Lakeview Area Senior Adult Ministry, Inc. (a nonprofit corporation) as of June 30, 2005, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the corporation's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the Corporation's 2004 financial statements and, in my report dated September 27, 2004, I expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakeview Area Senior Adult Ministry, Inc. as of June 30, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated August 3, 2005 on my consideration of Lakeview Area Senior Adult Ministry, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Lakeview Area Senior Adult Ministry, Inc. taken as a whole. The accompanying supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of Lakeview Area Senior Adult Ministry, Inc. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



New Orleans, Louisiana  
August 3, 2005

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2005**

**ASSETS**

		<b>TOTAL MEMORANDUM ONLY June 30, 2004</b>
Cash	\$ 34,386	<u>\$ 33,487</u>
Certificates of deposit	102,759	100,979
Investment securities (Notes A5 and B)	1,434	3,965
Receivables		
Grant	-	3,462
Other	3,264	4,136
Unconditional promise to give (Note C)	35,706	35,206
Property and equipment – at cost (Notes A6 and D)	<u>2,837</u>	<u>4,729</u>
Total assets	<u><b>\$ 180,386</b></u>	<u><b>\$ 185,964</b></u>

**LIABILITIES AND NET ASSETS**

Accounts payable and accrued liabilities	<u>\$ 10,155</u>	<u>\$ 10,426</u>
Total liabilities	<u>10,155</u>	<u>10,426</u>
Commitment (Note E)	-	-
Net assets		
Unrestricted	134,525	140,332
Temporarily restricted (Note F)	<u>35,706</u>	<u>35,206</u>
Total net assets	<u>170,231</u>	<u>175,538</u>
Total liabilities and net assets	<u><b>\$ 180,386</b></u>	<u><b>\$ 185,964</b></u>

The accompanying notes are an integral part of this financial statement.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**STATEMENT OF ACTIVITIES**

**For the year ended June 30, 2005**

	<u><b>UNRESTRICTED</b></u>	<u><b>TEMPORARILY RESTRICTED</b></u>	<u><b>TOTAL MEMORANDUM ONLY FOR THE YEAR ENDED June 30</b></u>	
			<u><b>2005</b></u>	<u><b>2004</b></u>
<b>REVENUE</b>				
United Way allocation	\$ -	\$ 35,706	\$ 35,706	\$ 35,206
United Way designations	3,515	-	3,515	4,460
Contributions	61,787	-	61,787	70,706
Special events, net of direct costs of \$2,190	7,711	-	7,711	5,665
Program service fees	25,110	-	25,110	27,234
Government grants	-	47,381	47,381	48,470
Investment income (Note B)	4,645	-	4,645	2,046
Other revenue	387	-	387	547
Net assets released from restrictions	<u>82,587</u>	<u>&lt; 82,587 &gt;</u>	<u>-</u>	<u>-</u>
Total revenues	<u>185,742</u>	<u>500</u>	<u>186,242</u>	<u>194,334</u>
<b>EXPENSES</b>				
Program services				
Home services	71,703	-	71,703	66,897
Social development	<u>101,614</u>	<u>-</u>	<u>101,614</u>	<u>114,408</u>
Total program services	<u>173,317</u>	<u>-</u>	<u>173,317</u>	<u>181,305</u>
Supporting Services				
Management and general	16,583	-	16,583	18,770
Fund raising	<u>1,649</u>	<u>-</u>	<u>1,649</u>	<u>-</u>
Total expenses	<u>191,549</u>	<u>-</u>	<u>191,549</u>	<u>200,075</u>
Increase <decrease> in net assets	< 5,807 >	500	< 5,307 >	< 5,741 >
Net assets, beginning of year	<u>140,332</u>	<u>35,206</u>	<u>175,538</u>	<u>181,279</u>
Net assets, end of year	<u>\$ 134,525</u>	<u>\$ 35,706</u>	<u>\$ 170,231</u>	<u>\$ 175,538</u>

The accompanying notes are an integral part of this financial statement.

LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2005

	HOME SERVICES	SOCIAL DEVELOPMENT	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL MEMORANDUM ONLY For the year ended June 30 2005	2004
Compensation expense	\$ 67,177	\$ 78,528	\$ 3,211	\$ 1,455	\$ 150,371	\$ 146,200
Occupancy	1,644	11,517	3,694	194	17,049	17,071
Travel	440	6,136	-	-	6,576	6,573
Other direct program expenses	<u>2,442</u>	<u>4,487</u>	<u>8,732</u>	<u>-</u>	<u>15,661</u>	<u>26,504</u>
Total expenses before depreciation	71,703	100,668	15,637	1,649	189,657	196,348
Depreciation	-	<u>946</u>	<u>946</u>	<u>-</u>	<u>1,892</u>	<u>3,727</u>
	<u>\$ 71,703</u>	<u>\$ 101,614</u>	<u>\$ 16,583</u>	<u>\$ 1,649</u>	<u>\$ 191,549</u>	<u>\$ 200,075</u>

The accompanying notes are an integral part of this financial statement.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**STATEMENT OF CASH FLOWS**

**For the year ended June 30, 2005**

Increase <decrease> in cash and cash equivalents

Cash flows from operating activities:

Decrease in net assets \$ < 5,307>

Adjustments to reconcile decrease in net assets  
to net cash used in operating activities:

Depreciation	\$ 1,892
Unrealized appreciation of investment securities	< 84>
Donation – stock	< 1,350>
Gain on sale of securities	< 2,535>

Changes in assets and liabilities:

Increase in grant receivable	3,462
Increase in other receivables	872
Decrease in unconditional promise to give	< 500>
Increase in accounts payable and accrued liabilities	< 271>
	<u>1,486</u>

Net cash used in operating activities < 3,821>

Cash flows from investing activities:

Purchase of certificates of deposit	< 1,780>
Proceeds from sale of securities	<u>6,500</u>

Net cash provided by investing activities 4,720

Net increase in cash and cash equivalents 899

Cash and cash equivalents, beginning of year 33,487

Cash and cash equivalents, end of year \$ 34,386

The accompanying notes are an integral part of this financial statement.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**1. Nature of Activities**

Lakeview Area Senior Adult Ministry, Inc. is a non-profit corporation organized for the purpose of providing Social Development and Home Services to elderly residents of the Lakeview Community of Orleans Parish.

The corporation is supported primarily by the United Way for the Greater New Orleans Area and grants from the State of Louisiana. United Way of the Greater New Orleans Area funding represented approximately 21% and grants from the State of Louisiana represented approximately 25% of funding for the year ended June 30, 2005.

**2. Presentation of Financial Statements**

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) as set forth in the Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For-Profit Organizations". Accordingly, the net assets of the corporation are classified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets and (c) permanently restricted net assets. There were no permanently restricted net assets.

Net assets of the restricted class are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

**3. Revenue Recognition**

For financial reporting, the corporation recognizes all contributed support as income in the period received. Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is recognized as it is earned in accordance with approved contracts.

**4. Receivables**

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under government contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**5. Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses arise from changes in the fair value of the investments, and are included in Investment Income in the Statement of Activities.

**6. Property and equipment**

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. Depreciation expense for the year ended June 30, 2005 totaled \$1,892.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$1,000.

**7. Cash equivalents**

For the purpose of the statement of cash flows, the corporation considers all investments with original maturities of three months or less to be cash equivalents.

**8. Functional allocation of expenses**

The expenses of providing the program and other activities have been summarized on a functional basis in the statement of functional expenses. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

**9. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**10. Fair Values of Financial Investments**

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those investments. The fair values of marketable securities are based on quoted market prices for those of similar investments.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2005**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**11. Total Columns of Combined Statements – Overview**

Total columns are captioned "Memorandum Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE B - INVESTMENT SECURITIES**

Investment securities at June 30, 2005 consist of the following:

	<u>Donated Value</u>	<u>Fair Market Value</u>
Equity Securities	<u>\$ 1,350</u>	<u>\$ 1,434</u>

The unrealized appreciation for the year ended June 30, 2005 totaled \$84. The cumulative unrealized appreciation as of June 30, 2005 totaled \$84.

The investment income for the year ended June 30, 2005 consists of the following:

Dividend income	\$ 119
Interest income	1,907
Unrealized appreciation of investment securities	84
Gain on sale of securities	<u>2,535</u>
	<u>\$ 4,645</u>

**NOTE C – UNCONDITIONAL PROMISE TO GIVE**

The unconditional promise to give represents the United Way allocation for the program year July 1, 2005 through June 30, 2006. The United Way allocation totaled \$35,706.

**NOTE D – PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2005 consist of the following:

Office equipment	\$ 41,231
Transportation equipment	<u>22,024</u>
	63,255
Less accumulated depreciation	<u>&lt; 60,418 &gt;</u>
	<u>\$ 2,837</u>

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2005**

**NOTE E - COMMITMENT**

The corporation leased property located at 6118 Canal Boulevard, New Orleans, Louisiana for use as a program facility and its administrative offices. The lease is month-to-month. The rental expense for the year ended June 30, 2005 totaled \$12,000.

**NOTE F - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at June 30, 2005 consist of the following:

United Way	<u>\$ 35,706</u>
------------	------------------

**NOTE G - INCOME TAXES**

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Service.

**NOTE H - CASH FLOW INFORMATION**

During the year ended June 30, 2005, Lakeview Area Senior Adult Ministry, Inc. received a donation of stock with a value of approximately \$1,350.

**NOTE I - CONCENTRATION OF CREDIT RISK**

The unsecured cash balances at June 30, 2005 consist of the following:

Bank balances,	
including certificate of deposit	\$ 137,867
Insurance - FDIC & FSLIC	<u>&lt; 119,741 &gt;</u>
Unsecured balance	<u>\$ 18,126</u>

Lakeview Area Senior Adult Ministry, Inc. has investments in equity securities. Investment securities, in general, are exposed to various risks, such as interest rate and market volatility used. Due to the level of risk, associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term.

**NOTE J - BOARD OF DIRECTOR'S COMPENSATION**

The board of directors is a voluntary board; therefore, no compensation was paid to any board member during the year ended June 30, 2005.

---

## **SUPPLEMENTAL INFORMATION**

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**

**STATEMENT OF ACTIVITIES BY PROGRAM**

**For the year ended June 30, 2005**

	<u>Agency Totals</u>	<u>Supportive Services</u>	<u>Home Services</u>	<u>Social Development</u>
<b>REVENUE</b>				
Board Generated Self Support	\$ 68,166	\$ 13,633	\$ 3,408	\$ 51,125
Client Generated Self Support	25,110	-	23,130	1,980
Government Grants	47,381	-	20,739	26,642
Other Revenue	<u>5,032</u>	<u>5,032</u>	<u>-</u>	<u>-</u>
Total Self Generated Revenue	<u>145,689</u>	<u>18,665</u>	<u>47,277</u>	<u>79,747</u>
CFC Designations	1,332	-	-	1,332
United Way Designations	3,515	-	-	3,515
United Way Allocations	<u>35,206</u>	<u>-</u>	<u>20,469</u>	<u>14,737</u>
Total Revenue	<u>185,742</u>	<u>18,665</u>	<u>67,746</u>	<u>99,331</u>
<b>EXPENSES</b>				
Compensation Expenses	150,371	4,666	67,177	78,528
Occupancy Expenses	17,049	3,888	1,644	11,517
Travel & Transportation	6,576	-	440	6,136
Other Direct Program Expenses	<u>15,661</u>	<u>8,732</u>	<u>2,442</u>	<u>4,487</u>
Total Expenses	<u>189,657</u>	<u>17,286</u>	<u>71,703</u>	<u>100,668</u>
Increase <decrease> in Net Assets	<u>\$ &lt;3,915&gt;</u>	<u>\$ 1,379</u>	<u>\$ &lt;3,957&gt;</u>	<u>\$ &lt;1,337&gt;</u>
Depreciation	<u>\$ 1,892</u>	<u>\$ 946</u>	<u>\$ -</u>	<u>\$ 946</u>

**Note**

**Presentation of Financial Statement**

This financial statement is presented in the Functional Budget Spreadsheet format required by United Way for the year ended June 30, 2005. The United Way allocation represents funds awarded for the period July 1, 2004 through June 30, 2005.

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**  
**SCHEDULE OF ACTUAL EXPENDITURES COMPARED TO BUDGET**  
**STATE SENIOR CENTER PROGRAM**

**For the year ended June 30, 2005**

	<u>Budgeted</u>	<u>Actual</u>	Actual <Over> Under <u>Budget</u>
Salaries	\$ 19,620	\$ 22,433	\$ < 2,813>
Fringe benefits	3,214	5,048	< 1,834>
Operating services	19,065	17,467	1,598
Operating supplies	<u>5,482</u>	<u>4,142</u>	<u>1,340</u>
	<u>\$ 47,381</u>	<u>\$ 49,090</u>	<u>\$ &lt; 1,709&gt;</u>

# Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT  
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122  
TELEPHONE: (504) 288-0050

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Lakeview Area Senior Adult Ministry, Inc.

I have audited the financial statements of Lakeview Area Senior Adult Ministry, Inc. (a non-profit corporation) as of and for the year ended June 30, 2005, and have issued my report thereon dated August 3, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered Lakeview Area Senior Adult Ministry, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Lakeview Area Senior Adult Ministry, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2005-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider the reportable condition described above to be a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lakeview Area Senior Adult Ministry, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of the audit committee, management, Louisiana Legislative Auditor, others within the organization and funding sources of the corporation and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Justin J. Scanlon, CPA*

New Orleans, Louisiana  
August 3, 2005

**LAKEVIEW AREA SENIOR ADULT MINISTRY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended June 30, 2005**

**REPORTABLE CONDITIONS**

**2005-1 Segregation of Duties**

**Condition:** Due to the size of the administrative staff, the organization is too small to effect a meaningful segregation of duties. All authorizations and approval of cash disbursements are performed by the Executive Director and all accounting functions are performed by the corporation's accountant.

**Criteria:** The accounting functions should be performed by a few individuals to assure a proper segregation duties.

**Effect:** The organization is unable to assure that its assets are properly safeguarded.

**Recommendation:** I recommend the Board of Directors continue its significant involvement in the financial affairs of the corporation through review of monthly financial reports and periodic review of the corporation's day to day financial activities.

**Response:** See Corrective Action Plan.

**QUESTIONED COSTS**

There are no questioned costs for the year ended June 30, 2005.

**STATUS OF PRIOR YEAR AUDIT FINDINGS**

	<u>Resolved</u>	<u>Unresolved</u>	<u>Current Findings</u>
<u>Reportable Condition:</u>			
1. Segregation of Duties		X	2005-1

# Lakeview Shepherd Center

6118 Canal Boulevard  
New Orleans, LA 70124  
(504) 486-9380

August 18, 2005

Sponsored by:  
LAKEVIEW AREA SENIOR  
ADULT MINISTRY, INC.

EXECUTIVE DIRECTOR  
Ida L. Gaughan

BOARD OF DIRECTORS

OFFICERS  
Mr. James Maguire, President  
Rev. David Brown, Vice-President  
Mr. Bert Sippola, Secretary  
Mr. Jeff Fussell, Treasurer

GRACE EVANGELICAL LUTHERAN  
Rev. Daniel W. Duke  
Mr. Bill Hoffman  
Dr. Tom Farris

LAKE VISTA UNITED METHODIST  
Dr. Norwood Hingle  
Mrs. Julie Stephens

LAKEVIEW BAPTIST  
Rev. David Brown  
Mrs. Martha Hagan  
Mrs. Evelyn Adams

LAKEVIEW PRESBYTERIAN  
Rev. Neale Miller  
Mr. Bert Sippola  
Mrs. Dawn Davis

ST. DOMINIC'S ROMAN CATHOLIC  
Rev. Donald Dvorak  
Mrs. Mary Alice Isenberg  
Mr. Joseph Berrigan

ST. LUKE'S UNITED METHODIST  
Rev. Darryl Tate  
Mrs. Jane White  
Mrs. Lillian McNamara

ST. PAUL'S EPISCOPAL  
Rev. Stephen Becker  
Mrs. Phoebe Fussell  
Mrs. Melissa Grevemberg

ST. PIUS X ROMAN CATHOLIC  
Msgr. Clinton Doskey  
Mr. Warren H. A. Backer, Sr.  
Mr. Tom Meyer

SISTERS OF MOUNT CARMEL  
Mother Dorothy Guilbault

AT LARGE MEMBERS  
Rev. Richard Randels  
Mr. Jeff Fussell  
Mr. Henry Maher  
Mr. Gary Crowley

EX OFFICIO  
Mr. Garic Schoen

Mr. Justin J. Scanlan, CPA  
4769 St. Roch Avenue  
New Orleans, LA 70122

RE: Audit Reportable Conditions: Segregation of Duties

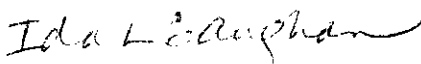
Dear Mr. Scanlan:

Regarding the audit of our agency for fiscal year 2004-05, the reportable condition cited (segregation of duties), along with your recommendation for remediation has been addressed.

The Board of Directors continues to be aware of the need for oversight in the financial activities of the agency, particularly given the limited number of employees. The monthly financial report is furnished by an outside accounting firm and is reviewed by the Board of Directors at each month's meeting. As well, the Board President and Treasurer are kept apprised and maintain active involvement in the routine financial activities of the organization.

Thank you for your service. Please contact me if you have further comments or recommendations.

Sincerely,



Ida L. Gaughan  
Executive Director

